

October 1, 2012

**BY EMAIL AND RESS**

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
P. O. Box 2319  
2300 Yonge Street  
Suite 2700  
Toronto, Ontario  
M4P 1E4

Dear Ms. Walli:

**Re: EB-2012-0033 Enersource Hydro Mississauga Inc. (“Enersource”)  
Cost of Service Rate Application (“Application”)**

Please find attached a corrected slide 64 from Enersource’s final reply argument presentation made to the Ontario Energy Board on September 28, 2012. There was some confusion on the issue of interest revenue which might have been due to the error on the slide.

For the sake of clarification, Enersource reproduces here Undertaking No. JT2.33:

To provide corrected table 1 for Energy Probe IR No. 1, Issue 3.2. P. 128

**Table 1: Other Revenue Summary, YTD June 2011 and 2012, incl. 2014 Forecast (\$000s)**

Other Revenue Category	2008 Approved	2008 Actual	2009 Actual	2010 Actual	Actual YTD June 2011	2011 Actual	Actual YTD June 2012	2012 Bridge	2013 Test	2014 Forecast
Specific Service Charges	1,282	1,330	1,311	1,283	639	1,347	648	1,330	1,335	1,330
Late Payment Charges	420	408	413	1,379	1,052	2,068	826	1,800	1,800	1,800
Retailer Service Charges	329	311	303	292	130	244	105	207	193	193
Other Regulated Revenues	1,260	1,189	1,124	1,608	586	1,212	627	1,464	1,452	1,461
Interest Revenue	2,049	1,957	284	187	267	735	478	377	50	95
<b>TOTAL</b>	<b>5,340</b>	<b>5,195</b>	<b>3,434</b>	<b>4,751</b>	<b>2,673</b>	<b>5,605</b>	<b>2,685</b>	<b>5,178</b>	<b>4,830</b>	<b>4,879</b>

For further assistance to the Board in its deliberations, and as Mr. Macumber explained in the hearing on September 28, 2012 (see transcripts starting at p. 79), Enersource provided (shown highlighted above) only the interest income on cash balances in the forecast of interest revenue for 2013 and 2014. These amounts do not include carrying charge interest, i.e., the carrying charges on net regulatory liabilities and assets that would be earned on those cash balances, and that must be paid to ratepayers.

The June, 2012 year-to-date amount of \$478K **does include** interest on cash balances relating to net regulatory assets and liabilities owed to customers, as do all of the interest revenue amounts from 2008 to 2011 shown in Table 1 above, so the comparison to forecast amounts for 2013 and 2014 is inappropriate. It is also inappropriate for intervenors to conclude that actual year-to-date interest

revenue in 2012 “is already higher than the forecast for the entire year.” (Energy Probe Argument at p. 21.)

Thus, Enersource submits that it would not be appropriate, as Energy Probe argues, to reduce the revenue requirement by the amount of interest income that is earned on cash that will be paid to ratepayers as carrying charges on net regulatory balances.

Sincerely,

*(Original signed by)*

Gia M. DeJulio  
Director, Regulatory Affairs

cc. Dan Pastoric, Executive Vice-President and Chief Operating Officer  
Richard Battista, Ontario Energy Board  
Intervenors of Record

Encl.